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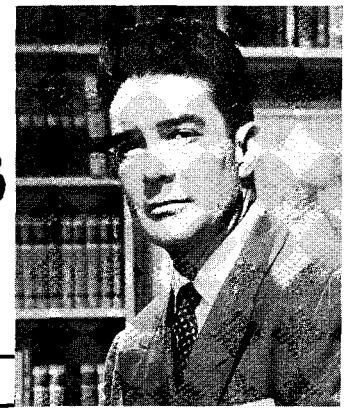

DAN SMOOT

LAOS — PART I

In this *Report* last week ("Our No-Win Policy," April 2, 1962), we pointed out that in Laos, today, our roving Ambassador Averell Harriman, is repeating the error committed by George Marshall in China in the late 1940's.

In the late 1940's, Chiang Kai-shek, fighting to save China from communism, knew that if he formed a coalition government with the communists, the communists would eventually take over; but George Marshall, by withholding American aid, forced Chiang Kai-shek to take communists into his government. The result was the communist conquest of China.

From the time Laos became an independent nation in 1954, the United States has given an incredible amount of aid to that country for the purpose of keeping it from being taken over by communists—until February, 1962, when we abruptly stopped all aid, in an effort to force the "pro-Western" government of Laos to form a coalition with the communists.

Two issues of this *Report* are being devoted to a chronological review of United States policy with regard to Laos, to give an accurate, miniature picture of the foreign policy of the United States since the end of World War II. It is a frightful picture.

Background

It is now a matter of historical record—and of painful memory to Americans—that in June, 1950, President Truman ordered American troops into battle against communists in Korea, for the purpose of prohibiting communist conquest of the country and of unifying the whole nation under the government of Syngman Rhee.

Washington and United Nations officialdom would not, however, let the Americans win the war. In July, 1953—after approximately 53,000 Americans had lost their lives

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—President Eisenhower accepted a Korean armistice on terms which were proposed by "neutralist" India, but which had been virtually dictated by the communists.[1]

Trying to restore shattered American prestige, the Eisenhower Administration claimed that we had stopped the communists in Korea, asserting that communists now realized they could conquer no more territory in Asia. The Administration was especially firm in its pronouncements about guaranteeing the integrity of French Indochina.

Indochina is a huge peninsula, projecting southward from the Asian mainland, into the Indian Ocean and the South China Sea. It comprises Burma, Malaya, Singapore, Thailand, Cambodia, Laos, and Vietnam. Those parts of the region which were French colonial possessions were known as French Indochina. French Indochina included Vietnam, Cambodia, and Laos.

The communists were already pointing to our handling of the Korean war to prove their insulting propaganda that the United States is a paper tiger that can roar and grimace but cannot fight. So, with the Korean conflict concluded on their terms, the communists turned their attention to French Indochina, the very area where Eisenhower was saying we would never give an inch.

Sporadic and indecisive guerrilla warfare had been going on between the French and communist groups for years; and we had supported the French with hundreds of millions of dollars of aid. Conditions changed explosively after the Korean armistice was concluded. The Korean war had given an incalculable boost to the morale, the prestige, and the military strength of communists in Asia.

Openly and contemptuously challenging the Eisenhower Administration to keep its pledge about guaranteeing the integrity of French Indochina, the communists converted scattered guerrilla action in that vast domain into total war against the French. We kept promising and sending aid to the French; but on May 7, 1954, the gallant resistance of a small band of French Foreign Legionnaires was broken; and Dienbienphu, the last French stronghold in northern Vietnam, fell under the pounding of Chinese communist artillery.

French power in Indochina was destroyed. The aid we had given France was wasted, and the communists had done what we had loudly pledged ourselves never to let them do. More than that, the communists took possession of millions of dollars worth of American ammunition and military equipment which had been given to the French.

Shortly after the fall of Dienbienphu in May, 1954, the Soviet Union and Great Britain proffered their good offices to call an international conference to end the war and settle disputes in Indochina.

At the Geneva Conference in the late summer of 1954 (which the United States "supported" but did not attend), the old French Union was divided into four "nations": neutral Cambodia, neutral Laos, neutral South Vietnam, and communist North Vietnam (Vietnam was divided at the 17th parallel, the northern half to be communist, the southern half to be neutral and independent).

An International Control Commission—composed of representatives from Canada, neutralist India, and communist Poland—was created and given the job of supervising the truce agreements. Communists had guerrilla bands throughout the area. Having been given all of North Vietnam, they were supposed to disperse their rebel groups in Laos, Cambodia, and South Vietnam and then to respect the "neutrality" of those three independent nations.

They never did disperse their guerrilla bands or stop their warfare against the three nations; and the International Control Commission managed to ignore, or tacitly approve, the communist violations.

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Having pledged itself to guarantee the Geneva Conference arrangements for Southeast Asia, and seeing the communists already in violation of those arrangements, the Eisenhower Administration did the only thing our internationalists can ever think to do in such circumstances: that is, organize another international collective security organization to make vigorous pronouncements, and to "justify" another massive United States foreign aid program.

The Eisenhower Administration took the lead in setting up SEATO—Southeast Asia Treaty Organization. SEATO was created at Manila in September, 1954, by a treaty of eight nations: the United States, Great Britain, France, Australia, New Zealand, Pakistan, the Philippines, and Thailand. The three new, independent, and neutral nations carved from the old French Union—that is, Laos, Cambodia, and South Vietnam—were not parties to the SEATO Treaty; but they were a part of the "treaty area" which the eight SEATO nations pledged themselves to protect against communist aggression.

U.S. Aid to Laos

Before the collapse of French power in Southeast Asia, United States aid for this particular area had been given directly to the French.

It was after the formation of SEATO in September, 1954, that our direct aid programs to the three "neutral nations" of the old French Union began.

The story of our dealings with just one of these three "neutral nations" — Laos — is quite enough to reveal the major fallacies of the foreign policy of the United States: a policy which, consistently and continuously since the end of World War II, has used the resources of the United States to build up communist power and prestige all over the world, while weakening the United States militarily and economically and making us an object of contempt in the eyes of friend and foe alike.

Laos is a landlocked, primitive, jungle kingdom of about two million people, practically all of whom are illiterate. Having no national feeling and no experience at all in self-government, the people of Laos have no interest in the question of who rules over them:[2]

"The Laotian Civil war may trigger a major East-West war in Southeast Asia, but to most Laotians it's just another family fight. . . . .

" 'Laos is not really a national community,' one high-ranking Lao said recently. 'It's just a collection of warring families.'. . . "[3]

" 'Laos is not even a country,' a leading Lao said. 'It exists only because of the United States and because of U. S. aid and support.' "[4]

The American aid program to Laos began in earnest early in 1955. The entire Laotian economy went on the American dole. We trained, equipped, clothed, housed, fed, and paid the salaries of the Laotian army and of all Laotian police forces; and we directly financed more than 80% of the total civilian budget of the government of Laos. In addition to that, we helped finance British, United Nations, and French technical aid projects in Laos; and, through the Red Cross and CARE, we gave a great quantity of aid directly to the people of Laos.

In fact, the only substantial income which Laos got from sources other than United States taxpayers, came from the illegal export of opium and from toll charges which the government imposed on cablegrams sent from the capital, reporting to the outside world on the endless crises in Laos.[5]

All the while, the communists, entrenched in the northern parts of Laos, under the nose of the International Control Commission and in open defiance of agreements made at the

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1954 Geneva Conference, kept up continuous warfare against the government we were supporting.

News reports — and official statements — on this continuous warfare have been, from the beginning, confusing and contradictory. One month, the communist forces (fighting with American weapons captured in Indochina or given to them by red China) would seem to be triumphing; another month, the government forces would seem to be prevailing. At the end of any given back-and-forth period, however, it was always apparent that the communists were gaining.

And always when this condition was brought to public attention, the Administration in Washington would reaffirm its determination to prevent the communist conquest of Laos — and would increase the volume of American aid.

By 1958—after about three years of this—the evidence that our aid to Laos was not doing any good (indeed, that it might even be doing harm) was so conspicuous that the Committee on Government Operations of the House of Representatives decided to investigate.

The Committee found criminal corruption on the part of American foreign aid officials in Laos. It found inefficiency, waste, extravagance, stupidity, and dishonesty on the part of American foreign aid officialdom generally; and it found that United States aid, extravagantly poured into Laos, had hurt that country economically, politically, and militarily, and had made the United States an object of contempt and hatred.

Here are selected passages from *U. S. Aid Operations in Laos: Seventh Report By The Committee on Government Operations,* published as House Report No. 546 (51 pages) by the Government Printing Office on June 15, 1959:

"Giving Laos more foreign aid than its economy could absorb, hindered rather than helped the accomplishment of the objectives of the Mutual Security Program.

"Excessive cash grants forced money into the Lao economy at a faster rate than it possibly could be absorbed, causing:

(a) An excessive Lao Government foreign exchange reserve, reaching at one point $40 million, equal to a year's aid.

(b) Inflation, doubling the cost of living from 1953 to 1958.

(c) Profiteering through import licenses and false invoices, which made possible the purchase of U. S. cash grant dollars for 35 kip. Those dollars could be resold in the free market for as much as 110 kip.

"Much of the overspending is the direct result of a determination to maintain a 25,000 man Lao Army.

"Determination of 'force objectives' . . . has always been considered a military decision for the Joint Chiefs of Staff and the Department of Defense.

"In Laos, however, the decision to support a 25,000 man army with U. S. aid funds was made by the Department of State, despite contrary recommendations by the Joint Chiefs of Staff. This was a political decision in a military field. There is no evidence that it was essential to support a 25,000-man army. In fact, significant military opinion has suggested a force of 12,000 to 15,000. . . .

"The concentration of the benefits of the aid program to the area around Vientiane and other centers of population, and the enrichment of, and speculation by, Lao merchants and public officials which attended the aid program, tended to lend credence to the Communist allegation that the Royal Lao Government was 'corrupt,' and 'indifferent' to the needs of the people. . . .

"Edward T. McNamara, public works and industry officer, accepted bribes totaling at least $13,000 from Willis H. Bird and Gerald A. Peabody of the Universal Construction Co., in return for helping them secure lucrative contracts and overlooking deficiencies in their performance. . . .

"The International Cooperation Administration and the Department of State are usually very reluctant to admit the existence of any specific errors in their administration. In

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those cases—and there are many—where the facts cannot be denied, it seems to be almost a standard response that the criticisms are directed to conditions and matters which are ancient history and that everything in the particular program or country criticized has been remedied in the interim and is now without fault.

"It should be noted, however, that only a few of the deficiencies noted in the Laos program were new to the subcommittee's experience. The criticisms that can be made of the Laos program today are almost identical in general substance with the criticisms we made of the foreign aid program in Iran 2 years ago. . . .

"In summary, the decision to support a 25,000 man army—motivated by a Department of State desire to promote political stability—seems to have been the foundation for a series of developments which detract from that stability.

"Given that decision, the minimum size of the necessary aid program was inexorably established at a dollar value far beyond the estimated rate at which the Lao economy could absorb it. From this grew intensive speculation in commodities and foreign exchange, productive of inflation, congenial to an atmosphere of corruption, and destructive of *any* stability, political or economic.

"With so much of the aid available for Laos earmarked for support of military forces, little attention was paid to programs which might reach the people of the villages. The aid program has not prevented the spread of communism in Laos. In fact, the Communist victory in last year's election, based on the slogans of 'Government corruption' and 'Government indifference' might lead one to conclude that the U. S. aid program has contributed to an atmosphere in which the ordinary people of Laos question the value of the friendship of the United States.

"The army, which was too large for the economy to handle, was inadequate to perform its appointed mission. Against a much smaller force, it was unable to enforce Communist compliance with the Geneva agreements, which required evacuation of the two northern provinces and their return to the control of the central government. . . .

"The inability to remove the Communists from the northern provinces by diplomatic pressure or military force led to a compromise solution which admitted Communists to the Government and which established the Communist Party, Neo Lao Hak Xat, as a legal, above-ground political party."

The press of the United States rather widely publicized these findings of the Committee on Government Operations; and many important people expressed shock, dismay, and indignation. Nonetheless, the Eisenhower Administration continued to demand — and Congress continued to approve — more aid for Laos.

Beginning of the End

In July, 1959, communists from North Vietnam sent reinforcements to the communist rebels in Laos, and opened an all-out attack on the royal government forces. The government of Laos eventually appealed to the United Nations for help. The UN did nothing except send a Security Council team to Laos to look around. The communists from North Vietnam hid out or withdrew long enough for the UN team to conclude that there was no outside intervention. When the UN team left, the communists opened their attacks again.

The last phase of Laos's history as an independent nation began on August 9, 1960, when Captain Kong Le seized military power in Vientiane, the capital of Laos. Kong Le was an officer in the King's Army which the United States had built. He had been trained, by Americans, in the Philippines.[6]

When Kong Le defected and seized power on August 9, 1960, he gained effective control, although the King's government remained technically in power for several months.

The United States kept giving aid to Laos until December 1, 1960, when all of our aid was temporarily suspended. Total collapse of

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the King's government followed quickly. Before the middle of December, the King's government had fled the country. The King stayed in Vientiane, his capital, with a loyal parliament; the Soviets openly airlifted supplies to the communist forces; and the bloody battle for final control of Vientiane began.

While the battle was raging, the King, unanimously supported by the Laotian parliament, deposed the Laotian government that had fled, and appointed Prince Boun Oum (generally called pro-Western) as provisional premier of a new government.[7]

On December 15, 1960, a State Department spokesman in Washington said the United States would do everything in its power to help the new government of Prince Boun Oum overcome the threat of external aggression.[8]

Ultimately, the new government of Boun Oum prevailed to the extent that Captain Kong Le's communist forces were driven from the capital.

On December 19, 1960, State Department Press Officer Lincoln White announced the resumption of full military and economic aid to Laos, saying that the triumph of the new non-communist government of Laos over Soviet-supported forces provided grounds for considerable satisfaction.[9]

An Associated Press dispatch from Washington (published in the *Dallas Times Herald*, December 20, 1960) said "officials" in Washington expected the new government of Laos to sever diplomatic relations with the Soviet Union, because the Soviets had committed hostile acts in supplying the communist forces with weapons.

The Laos government did not break off diplomatic relations with the Soviets, however; and, three days after this hopeful prediction in Washington, the Soviets had taken the lead in efforts to "solve" the problems of Laos.

On December 23, 1960, the Soviets (while continuing to airlift military equipment to the communist forces entrenched in northern Laos) proposed that the old International Control Commission for Indochina be revived; and that another Geneva Conference be called to settle the trouble in Laos.[10]

Premier Boun Oum of Laos (supported fully by the United States) rejected this Soviet proposal.

An American About-Face

As the year 1961 began, the communists, entrenched in northern Laos and receiving aid from the Soviets, were engaged in continuous warfare against the Boun Oum government which was supported by the United States.

Space limitations prohibit a complete review of the amazing developments since January, 1961; but a sampling of news stories will show the drift and pattern.

John M. Hightower, in a column distributed from Washington by the Associated Press (published in the *Dallas Times Herald* on March 4, 1961) said:

"Officials hope to avoid a military showdown with the Soviet Union in Laos, but increasingly it is being said privately by authorities here that the United States will never allow the communist conquest of Laos."

On March 15, 1961, President Kennedy said that the United States is determined to resist communist efforts to capture control of the government of Laos.[11].

An Associated Press dispatch from Vientiane, Laos, March 17, 1961, quoting "an informed source" whose "identity cannot be disclosed" contained the following passage:

"Llewellyn Thompson, U. S. ambassador to the Soviet Union, has told Premier Khrushchev the United States does not want a major

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East-West arms race to develop in Laos but will ship in three guns for every two the Russians give the rebels. . . ."

Four days later, a New York Times News Service dispatch from Washington, said:

"A few weeks ago the United States began to step up supplies to the royal Laos forces. . . .

"However, the U. S. has made no effort to match the arms, either in amount or kind, supplied by the Soviet Union. The Administration has been reluctant to get involved in a reciprocal escalation of arms that could lead to an extension of the hostilities and perhaps turn Laos into another Korea."

The next day after this story was sent out, the *Times* news service dispatched a story from Washington, written by James Reston, which contained these passages:

"Two things have puzzled the high officials of this government who have been conferring constantly with President Kennedy on the Laos situation. . . .

"[One] is why Moscow has continued to supply its friends in Laos after the repeated warnings of the United States to Premier Khrushchev personally. . . .

"Khrushchev has shown little restraint even after U. S. Ambassador Llewellyn Thompson called on him with a plan to neutralize Laos and made clear that a communist conquest of that country might have the most serious repercussions. Even after that, a considerable quantity of arms from Moscow landed in Laos."

On March 20, 1961, President Kennedy held an emergency conference in the White House with some of his highest civil and military advisers — that is: Robert S. McNamara, Secretary of Defense; Chester Bowles, Under Secretary of State; McGeorge Bundy, Assistant to the President on National Security Affairs; Walt W. Rostow, Bundy's deputy; and Admiral Arleigh E. Burke, Chief of Naval Operations (all, except Burke and McNamara, members of the Council on Foreign Relations). Anxiety over communist advances in Laos prompted the meeting.

Here are passages from a New York Times News Service story on the conference, as published in the *Dallas Morning News*, March 21, 1961:

"President Kennedy has reached a firm decision that this country must not allow Laos to fall under the control of forces dominated by communism. . . .

"The impression among high officials after the meeting was that Kennedy has now moved beyond his announced policy of support for the royal government of Laos. He is now represented as determined to take whatever steps are necessary to save Laos from communist domination and to accept whatever risks are involved in such a policy."

In a New York Times News Service dispatch from Washington on March 22, 1961, James Reston commented on the "cruel choice" before President Kennedy: (1) to intervene militarily in Laos as Truman did in Korea in 1950; or (2) to back down and let the communists take over at least a part of the country, as Eisenhower did in Indochina in 1954. Mr. Reston said:

"Secretary of State Rusk . . . is going to Bangkok Thursday night (March 23, 1961) to discuss the crisis with the other members of the Southeast Asia collective defense treaty.

"Under this treaty, the United States, Britain, France, Australia, New Zealand, Pakistan, the Philippines, and Thailand agreed that communist aggression by armed attack against the treaty area (which includes Laos) would endanger their own 'peace and safety.' They also agreed to 'act to meet the common danger' in the event of such communist armed aggression. . . .

"The United States wants to know what the others are prepared to do to avoid communist conquest of Laos. So far (though the United States is the only member of the treaty with no territory in the area), the others have left it to Washington to lead the opposition to Moscow's intervention."

On March 23, 1961, the British Government formally made a proposal that was virtually identical with the one the Soviets had

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made on December 23, 1960 — that is, for a cease-fire; a revival of the Indian-Canadian-Polish International Control Commission; and an international conference.[12]

At a press conference on March 23, President Kennedy said:

"We strongly support the present British proposal. . . ."

A story buried on page 12 of the *Washington Post,* March 24, 1961, said:

"In essence, the United States has accepted both the kind of international commission and the kind of conference which the Soviet Union wanted."[13]

Thus while vowing all the time that it would never do any such thing, the United States Government in three months did a complete about-face: from, strongly supporting the pro-Western government of Laos in its rejection of the Soviet proposal made December 23, 1960; to, strongly supporting the Soviet proposal (now called the "British proposal") on March 23, 1961.

Next Week

Next week, the story will continue from March 23, 1961. On that day, President Kennedy made headlines with press conference statements universally interpreted as meaning that the United States would do anything (even, if necessary, intervene with American troops) to prevent the communists from gaining control of Laos. By February, 1962, the President was exerting maximum pressure on the Laotian government to surrender to communist control (through the well-known technique of forming a "coalition").

The story includes widely publicized statements by the highest officials of our government that we would never go to an international conference on Laos until and unless the communists first stopped their fighting there; and it includes the account of our going to the conference while the communists were still fighting and gaining ground.

This account of United States policy in Laos will conclude next week with recommendations on what our policy should be.

FOOTNOTES

(1) The 53,000 figure for American deaths in Korea was supplied by the late Alfred Kohlberg (one of the nation's foremost authorities on the Far East), in a letter to this *Report.*

(2) Statement by Peter Kalischer, CBS Far East Correspondent, published in *The Dallas Morning News,* January 3, 1961

(3) Associated Press dispatch from Vientiane, Laos, published in the *Dallas Morning News,* March 24, 1961

(4) Article by Roy Essoyan, distributed by the Associated Press from Vientiane, Laos, published in the *Dallas Times Herald,* February 15, 1961

(5) See *The Little World of Laos,* by Oden Meeker.

(6) "Is Laos Lost? Communists Deal From Strength," Associated Press article in The *Dallas Morning News,* May 14, 1961

(7) Chronology of Kong Le's coup and the eventual forming of the Boun Oum Government is from State Department Press Release No. 9, January 7, 1961, "Statement on Laos".

(8) Story in *Dallas Morning News,* December 16, 1960

(9) Associated Press dispatch from Washington, December 19, 1960

(10) Associated Press dispatch published in most major newspapers

(11) From *Editorial Research Reports,* published in the *Dallas Morning News,* March 28, 1961

(12) March 27, 1961, issue of *Washington Report,* publication of American Security Council

(13) *Washington Post* story quoted and commented on in *Washington Report,* March 27, 1961

WHO IS DAN SMOOT?

Dan Smoot was born in Missouri. Reared in Texas, he attended SMU in Dallas, taking BA and MA degrees from that university in 1938 and 1940.

In 1941, he joined the faculty at Harvard as a Teaching Fellow in English, doing graduate work for the degree of Doctor of Philosophy in the field of American Civilization.

In 1942, he took leave of absence from Harvard in order to join the FBI. At the close of the war, he stayed in the FBI, rather than return to Harvard.

He worked as an FBI Agent in all parts of the nation, handling all kinds of assignments. But for three and a half years, he worked exclusively on communist investigations in the industrial midwest. For two years following that, he was on FBI headquarters staff in Washington, as an Administrative Assistant to J. Edgar Hoover.

After nine and a half years in the FBI, Smoot resigned to help start the Facts Forum movement in Dallas. As the radio and television commentator for Facts Forum, Smoot, for almost four years spoke to a national audience giving both sides of great controversial issues.

In July, 1955, he resigned and started his own independent program, in order to give only one side — the side that uses fundamental American principles as a yardstick for measuring all important issues.

If you believe that Dan Smoot is providing effective tools for those who want to think and talk and write on the side of freedom, you can help immensely by subscribing, and encouraging others to subscribe, to *The Dan Smoot Report.*

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